EXECUTIVE SUMMARY

Most organizations and the people in them face uncertainty, change and huge pressures. Among the factors affective them are: higher customer demand for quality and value for money; increasing levels of technology; intensifying competition on a global scale; growing ecological awareness; higher expectations of work; demographic changes; continual changes in ownership and financial restructuring; changing political interventions; and more recently, war and recession (Nixon, 1992, pp. 33-45). When we look back, many recent changes were not predicted, and perhaps they could not have been. Some of the pressures are largely benign; others can have oppressive effects. However, in the long-term it seems that the forces of economic necessity conspire with new values and higher aspirations to bring improvement both world-wide and in the workplace (Naisbitt and Aburdence, 1985, as cited in Nixon, 1992, pp. 33-45). It is and if we are being forces to progress and learn, albeit with difficulty. It is both exciting and, at times, daunting.

In order for the International Islamic University, Malaysia (IIUM), to surmount the challenges of the new millennium and to achieve the goal of comprehensive excellence which the university has set, the employees have to be prepared to change, to adopt to better working culture; the one that reflects the true meaning of the name of the university. The new culture must put the university at par with the best practices in the world and makes its outlook truly internationally as well as 'ummatic' in every sense of word.

In their efforts to remain afloat and to be at a higher position in the sea of relentless competition, the IIUM has implemented a 'Quality Culture Change ' (QCC) programme.

Achieving ISO 9002:94 in October 2002, was the start of the new era in changing quality culture in IIUM. Now, since the intervention, that is the QCC, has been implemented and is effective, proven by the implementation of ISO 9002:94, the
study is directed at institutionalizing the change – making it a permanent part of the IIUM’s normal functioning.

The main objectives of this research project are to investigate factors affecting employees in QCC programme, to analyse the effectiveness of QCC implementation in IIUM and to provide feasible and necessary corrective actions for the IIUM on the institutionalization of QCC.

The framework of study is the Mohd. Yusof Omar’s Institutionalization Framework. It consists of five groups – organization characteristics, intervention characteristics, institutionalization processes, indicators of institutionalization and divisional performance.

For the purpose of this research, convenience random sampling was used. Two techniques of data collection are used that are personal interview and survey questionnaire. Data collections were carried out from July 2002 till October 2002 where 310 questionnaires were collected from 18 departments involved.

Selection of measures is via 7-point Likert Scale where 1= Strongly disagree, 2=Disagree, 3=Slightly disagree, 4=Neutral, 5=Slightly agree, 6=Agree and 7=Strongly agree. Analysis of data is based on reliability analysis; simple frequency, means, standard deviation and percentage analysis; bivariate Pearson product-moment correlation analysis; T-test analysis, and ANOVA. A deeper analysis using Stepwise regression analysis is also performed to test the hypotheses.

Results of the analysis indicates that all variables playing certain parts in influencing indicators of institutionalization and divisional performance, only the percentage of influence is different. The mean score results showing ‘performance’ having the lowest mean score and becomes the only critical success factor.
The recommended interventions by using Cumming and Worley's (1997) intervention model are:

1) Human process Intervention – through T-group, process consultation, team building, organizational confrontation meeting and intergroup relations.

2) Technostructural Intervention – through employee involvement and work design.

3) Human Resource Management Intervention – through goal setting, performance appraisal, reward systems and career planning and development.

4) Strategic intervention – through culture change and organization learning.